Impact of Fall in Rupee value on Budget Estimates

3767. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE be pleased to state:

(a) the reasons for the sudden fall in the value of rupee against US$ (dollars) in last three months;

(b) what will be its impact on the budget estimates for 1998-99;

(c) to what extent the fiscal deficit is likely to increase due to falll in the value of rupee; and

(d) what measures Government propose to take to arrest the fall in the value of rupee?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The exchange rate of the rupee vis-a-vis the US dollar depreciated by about 7 per cent in the last three months from Rs. 39.48 per US dollar at the beginning of April 1998 to Rs. 42.47 at the end of June 1998. The exchange rate of the rupee is market determined and, to a large extent, the short-term, movements in the exchange rate reflect the market perceptions.

(b) and (c) The budget extimates for 1998-99 may be affected by the movements in the exchange rate of the rupee to the extent that the variations in the exchange rate affect imports during 1998-99 and therefore the customs revenue assumed in the budget. The variations in the exchange rate may also affect the rupee equivalent of interest payments on foreign loans/credits under external assistance assumed in the budget. It is, however, not possible at this stage to assess the year-end impact. The Government would endeavour to contain the fiscal deficit at the budgetted level by maximising non-debt receipts and controlling expenditure.

(d) The exchange rate of the rupee is market determined. The RBI monitors activities in the foreign exchange market with a view to ensuring orderly market conditions. The RBIs intervention operations, both in the spot and forward segments of the foreign exchange market are supplemented by monetary measures to contain sudden and large down-ward pressures that may result from swings in market perceptions and intensification of speculative factors.

Income Tax from PSUs

3768. SHRI BRAHMAKUMAR BHATT: Will the Minister of FINANCE be pleased to state:

(a) the details of Income Tax from PSUs during the last three years, year-wise;

(b) the details of income from employees of PSUs for the same period; and

(c) whether Government have any plan to raise a Task Force to recover the amount speedily and also simplify the procedures in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) and (b) Such information is not maintained. The collection and compilation of the desired information from the field formations spread all over the country will involve lot of efforts and also time, which may not be commensurate with the objectives sought to be achieved.

(c) There is no proposal at present to raise any Task Force to recover the amount due from PSUs. However, a Task Force has been constituted to constantly monitor the collection of Budget targets, and to review the progress of recovery of taxes.

औद्योगिक तथा वित्तीय पुनर्निर्माण बोर्ड द्वारा वर्ष 1989 के दौरान प्राप्त किये गये आवेदन

3769. **श्री दिलीप सिंह जुदेव:** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) औद्योगिक तथा वित्तीय पुनर्निर्माण बोर्ड को 1989 के दौरान उद्योगों के पुनरुद्धार और नए सिरे से